Integrated Digital Environment Status
Navy RIC Team

12 April 2001

PEO-IT Enterprise Solutions/IDE

Today's Agenda

- ➢ Policy and Guidance
- ➢ Problem Statement
- ➢ Solution
- ➢ Approach
- ➢ Value Proposition
- ➢ Next Steps

Policy and Guidance

➢ **DepSecDef Memorandum - July 2, 1997**

- Set corporate goal of digital operations being the method of choice;
- Overwhelming majority of acquisition and logistics operations to be based on digital methodologies and products by end of 2002;
- Made PMs responsible for data management systems and appropriate digital environment.

➢ **USD (A&T) Memorandum - July 15, 1997**

- Integrated Program Management Initiative (IPMI) Executive Steering Group (ESG).
  - ✓ Develop additional guidance.
  - ✓ Coordinate cross Component activities.
- Focuses IDE initial implementation toward ACAT I programs.

➢ **USD (AT&L) Feedback to ESG - October 1999**

- Policy is to design Program Office IDEs with a Program Manager Focus
- Industry partners are encouraged to implement IDE solutions that best meet their preferred business models
- No specific IDE solution is directed
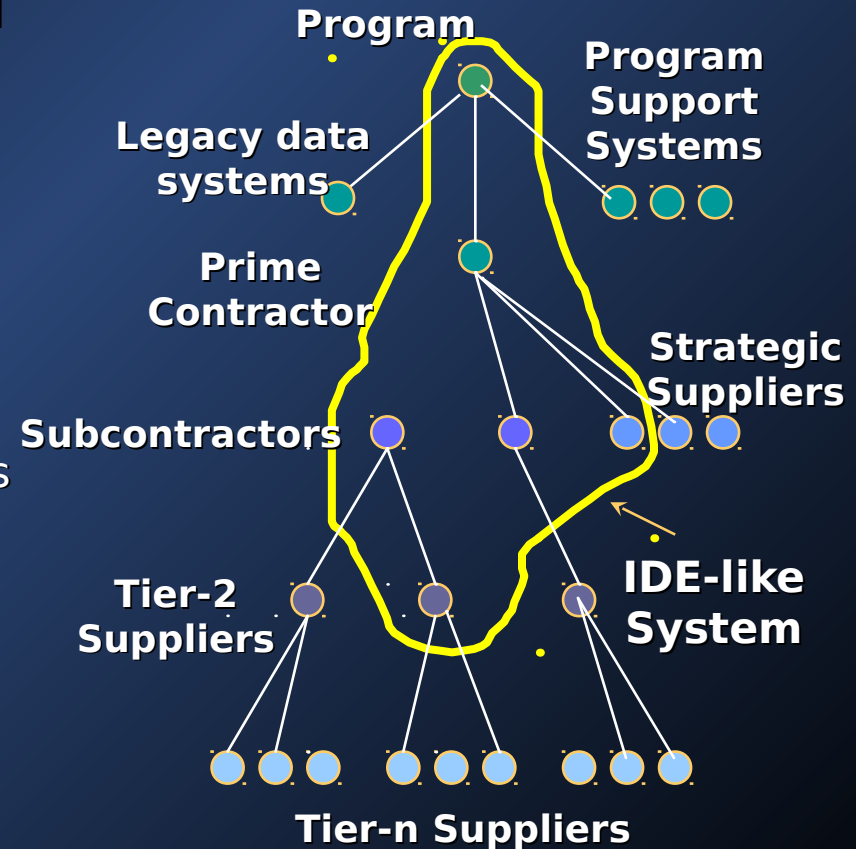
Problem Statement

Current Approach

- Solution typically a Web-based Information Environment...often delivered as an Extranet
- Funded by a specific Program or functional Supply Chain Management initiative
- Varying sets of tools and capabilities
- Largely reliant upon human intervention to provide process and data interoperability
- Cumbersome paper-based legacy logistics data

Resultant Situation

- Many Point-to-Point "IDE-like Systems" built for individual Programs or Initiatives - Chaos
- Excessive cost resulting from duplication of effort to build and maintain - Impacts limited budget
- Incompatibility between "IDE-like

**Typical Program-Unique Approach
(Multiplied by "n" programs)**

Program

Program Support Systems

Legacy data systems

Prime Contractor

Strategic Suppliers

Subcontractors

IDE-like System
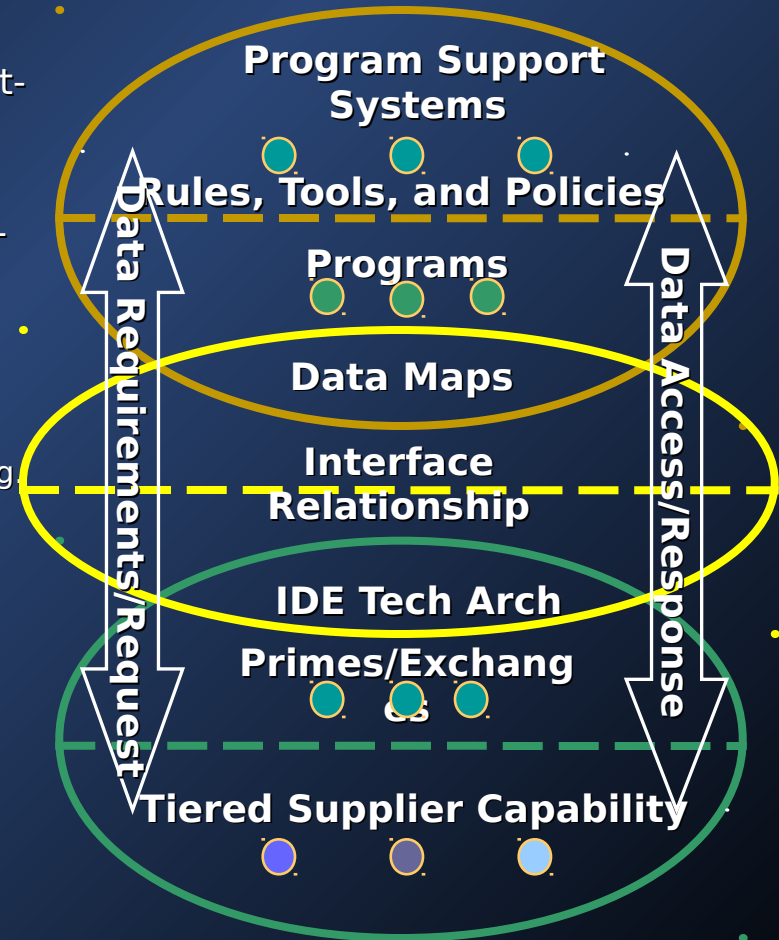
Tier-2 Suppliers

Tier-n Suppliers

Solution

Key Deliverables

- Develop **Trading Partner Agreement (TPA)** standard in partnership with Industry for Department-wide use

- Prepare **common contract language** for use in acquisition and logistics programs (e.g. Sections C, L & M)

- Agree on **universal standards** to provide consistency

- Champion **Pilot programs** to validate approach
  - Pilots that include interoperability among processes (e.g. RFQ, RFP, EVMS)
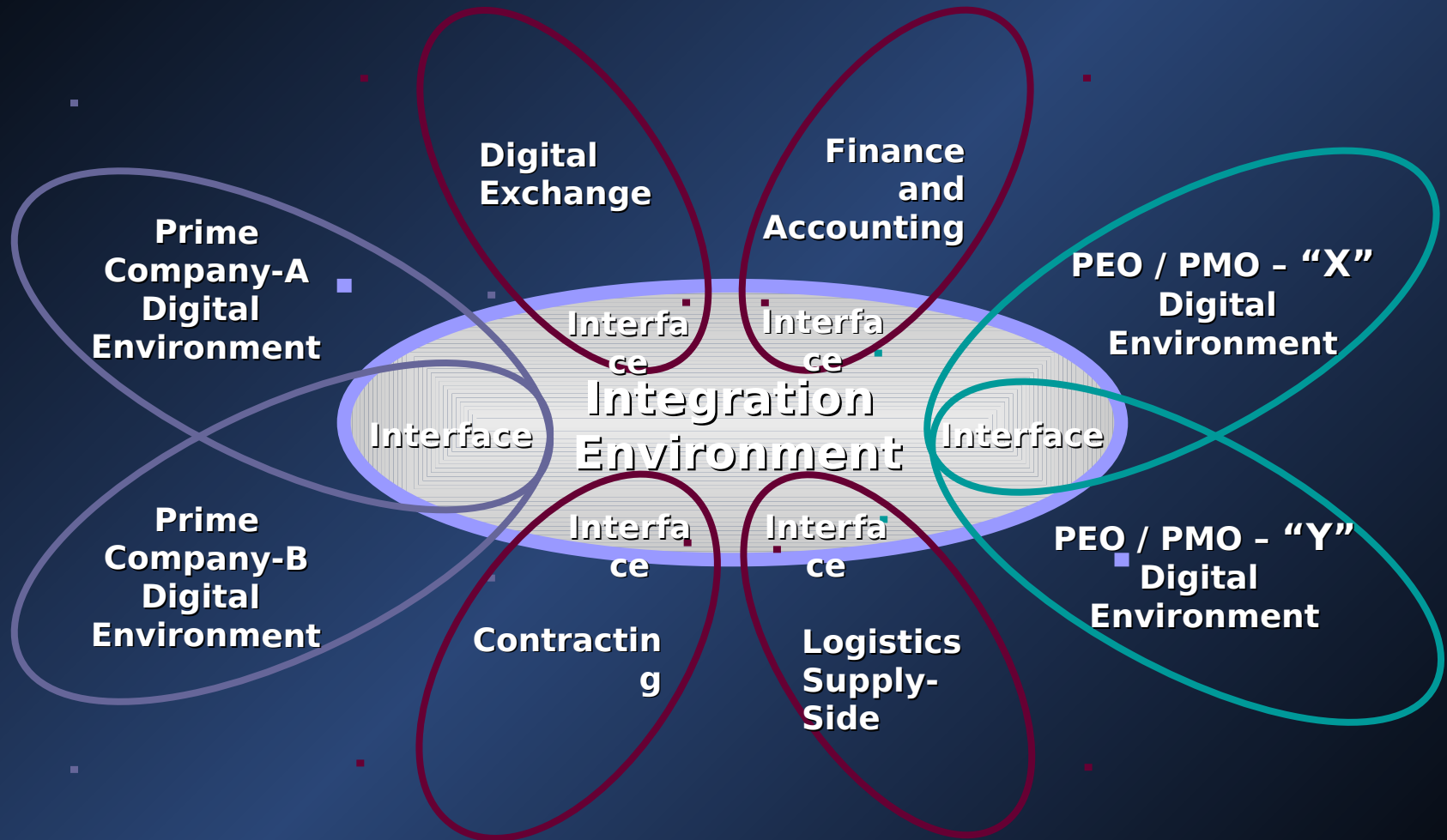
- Develop **Metrics** to measure progress

Benefits

- Improved readiness

- Realize Industry experience of 20%-30% increased productivity

- Single instance of data regardless of location

- Reduce Life Cycle costs

- Optimize DoD Acquisition/Logistics infrastructure -- opportunity to reinvest/recapitalize

- Additional product (planes, ships, tanks) for equivalent period cost

Desired Approach

Program Support Systems

Rules, Tools, and Policies

Programs

Data Maps

Interface Relationship

IDE Tech Arch

Primes/Exchanges

Tiered Supplier Capability

Data Requirements/Request

Data Access/Response

Approach

Prime Company-A Digital Environment

Digital Exchange

Finance and Accounting

PEO / PMO – "X" Digital Environment

Interface

Interface

Integration Environment

Interface

Interface

Prime Company-B Digital Environment

Interface

Interface

PEO / PMO – "Y" Digital Environment

Contracting

Logistics Supply-Side

IDE is a _concept_ for the automation and integration of accurate information supporting the design, development, fielding, operation and sustainment of defense capabilities linked in a seamless manner to the authoritative source.

Value Proposition

➢ Consistency across the Department

➢ Facilitates "de facto" Industry standard

➢ Provides a single instance of data -- location independent

➢ Benefits accrue to all Services at the process level

➢ Increased flexibility -- standards-based solution customizable for:

- Service specific needs
- Program specific needs
- Industry needs

Next Steps

➢ Conduct Pilots

- http://ide.dsmc.dsm.mil
    - ✓ Background
        - Communicate through Navy IDE Working Group
    - ✓ Proposals
        - Instructions on web site
        - Due 1 May 01
    - ✓ Selection
        - Criteria on web site
        - Planned date 23 May 01

➢ Brief outcome of pilots

➢ Determine next steps for IDE